

TEACHERS' RETIREMENT BOARD  
BUDGETS AND AUDITS COMMITTEE

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SUBJECT: 1999-2000 Proposed Budget

ITEM NUMBER: 4

ATTACHMENT (S): 2

ACTION: X

DATE OF MEETING: June 4, 1998

INFORMATION: \_\_\_\_\_

PRESENTER (S): Ms. Plett

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Attached is the Proposed Budget for the 1999/2000 fiscal year. The proposed budget is estimated at \$46,560,900, a 4% increase over the 1998/99 budget. The increase reflects proposed changes to baseline adjustments and Budget Change Proposals (BCP). The BCP narrative data is not presented at this time. However, the detailed narratives will be incorporated into the final proposed budget package that will be presented to this Committee.

Staff are seeking approval of this initial presentation of the 1999/2000 budget. We anticipate presenting the final budget package to the Committee in September for approval prior to submission to the Department of Finance for inclusion in the Governor's Budget.

19-May-98

INITIAL PROPOSED BUDGET  
1999-00 BUDGET YEAR  
STATE TEACHERS' RETIREMENT SYSTEM  
FUND 0835

1998-99 APPROVED GOVERNOR'S BUDGET \$44,672,000

I. BASELINE ADJUSTMENTS:

Merit Salary Adjustment	(Estimate only)	343,000	
Price Increase @ 2%	(Estimate only)	308,000	
Delete 1998-99 One-time Costs		(4,869,000)	
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Total Baseline Adjustments			(4,218,000)

II. 1999/00 Proposed Budget Needs, as of May 14, 1998:

Business Growth	1,389,400	
One-Time Expenditures	4,717,500	
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Total Proposed Budget Needs		6,106,900
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TOTAL PROPOSED, 1999/00		\$46,560,900
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**ATTACHMENT II**

May 19, 1998

INITIAL BUDGET CHANGE PROPOSALS  
1999-00  
STATE TEACHERS' RETIREMENT SYSTEM  
FUND 0835

<u>PROPOSED CHANGE</u>	<u>Positions</u>	<u>Amount</u>
● Provide continuing funding for the START Project.	- - -	\$3,500,000
● Establish one position in support of the Contract Office.	1.0	\$47,800
● Establish eight positions in support of additional activities in the Investment Office.	8.0	\$745,600
● Provide additional funding for Client Benefits & Services staff to work overtime during the conversion from the IDMS system to the new ADABASE system.	- - -	\$200,000
● Establish 3 positions in support of increased workshops in the Mid-Career Program.	3.0	- - -
● Establish one position in support of the Cash Balance Plan in the Division of Accounting.	1.0	\$64,300
● Provide funding for contract programmers to support IDMS maintenance in the Information Technology Division.	- - -	\$378,000
● Provide funding to replace 3 production printers in the Information Technology Division.	- - -	\$73,000
● Provide funding to replace the LAN router, LAN infrastructure and acquire client server development tools in the Information Technology Division.	- - -	\$140,000
● Establish six positions in support of the Membership Division.	6.0	\$350,200
● Provide additional funding for printing of the Annual Statement of Account in the Membership Division.	- - -	\$57,000
● Establish one position in support of STRS marketing effort in the Public Affairs Office.	1.0	\$80,000

May 19, 1998

INITIAL BUDGET CHANGE PROPOSALS  
1999-00  
STATE TEACHERS' RETIREMENT SYSTEM  
FUND 0835

<u>PROPOSED CHANGE</u>	<u>Positions</u>	<u>Amount</u>
● Provide TRF funding in support of continuing two positions for the Cash Balance Plan.	(2.0)	\$130,100
● Establish one position in support of the Cash Balance Plan in the Planning and Research Office	1.0	\$56,400
● Establish one position in support of new activity for optional supplemental benefits in the Planning and Research Office.	1.0	\$84,500
● Provide funding for a health benefits study in the Planning and Research Office.	- - -	\$200,000
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Total BCP'S	<u>22</u>	<u>\$6,106,900</u>